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1 1 IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF OKLAHOMA 2 3 STATE OF OKLAHOMA, et al., 4 Plaintiff, 5 CASE NO. 05-CV-00329-GKF SAJ vs. 6 TYSON FOODS, INC., et al., 7 Defendants. 8 VIDEOTAPED DEPOSITION OF STEVE THOMPSON TAKEN ON BEHALF OF THE DEFENDANTS 9 ON APRIL 7, 2009, BEGINNING AT 9:30 A.M. IN OKLAHOMA CITY, OKLAHOMA 10 APPEARANCES: 11 On behalf of the PLAINTIFF: 12 J. Trevor Hammons OKLAHOMA ATTORNEY GENERAL'S OFFICE 13 313 Northeast 21st Oklahoma City, Oklahoma 73105 14 (405) 522-2801 thammons@oaq.state.ok.us 15 On behalf of the PLAINTIFFS: 16 Martha Penisten OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY 17 707 North Robinson Oklahoma City, Oklahoma 73107 18 (405) 702-718419 On behalf of the DEFENDANT-PETERSON FARMS, INC.: 20 Scott McDaniel 21 MCDANIEL, HIXON, LONGWELL & ACORD 320 South Boston, Suite 700 22 Tulsa, Oklahoma 74103 (918) 382-9200 23 smcdaniel@mcdaniel-lawfirm.com 24 25 REPORTED BY: Laura L. Robinson, CSR, RPR

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(APPEARANCES CONTINUED) On behalf of the DEFENDANT-GEORGE'S, INC. AND GEORGE'S FARMS, INC.: Jennifer Lloyd THE BASSETT LAW FIRM 221 North College Avenue Fayetteville, Arkansas 72702 479-521-9996 ALSO PRESENT: Stephen Carns, Videographer 

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1	THE VIDEOGRAPHER: This is the videotape
2	deposition of Steve Thompson in the matter of the
3	State of Oklahoma versus Tyson Foods, Case Number
4	is 05-CV-0329 GKF-PJC, being held at 707 North
5	Robinson, Oklahoma City, Oklahoma, on the 7th of
6	April, 2009, on record at 9:39 a.m. Counsel please
7	state your appearance for the record.
8	MR. HAMMONS: Trevor Hammons for the State
9	of Oklahoma.
10	MS. PENISTEN: Martha Penisten for DEQ.
11	MS. LLOYD: Jennifer Lloyd for George's,
12	Inc.
13	MR. MCDANIEL: Scott McDaniel for Peterson
14	Farms, Inc.
15	WHEREUPON,
16	STEVE THOMPSON,
17	after having been first duly sworn, deposes and says
18	in reply to the questions propounded as follows,
19	to-wit:
20	DIRECT EXAMINATION
21	BY MR. MCDANIEL:
22	Q. Good morning, sir.
23	A. Good morning.
24	$oldsymbol{Q}$ . Would you state your full name for the
25	record, please.

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Q. Can you direct me to those statutes?

> No, I can't. Α.

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- Has the Oklahoma Department of Environmental Q. Quality conducted any natural resource damage assessment or assessments in the Illinois River Watershed?
  - Α. Not that I'm aware of.
- The Illinois River Watershed is obviously a Q. term I will be using a number of times today. I want to make sure that you and I are on the same page what that means. Are you generally familiar with the geographic area known as the Illinois River Watershed?
  - I am. Α.
- Okay, good. Mr. Thompson, I have handed you Q. what I have marked as Exhibit 1 to your deposition. Can you tell me what this is?

(Defendant's Exhibit 1 marked for identification)

- It is a provision of the environmental quality code that generally says that it is unlawful for persons to cause pollution to waters of the state, and that if I determine that to be the case, that I can order people to comply in a way that that ceases.
- Q. All right. Just for the record purposes, what I have, Exhibit 1 is the text of title 27-A,

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section 2-6-105 of the Oklahoma Statutes. Do you agree?

- A. Yes.
- Q. What are Oklahoma Department of Environmental Qualities responsibilities under this statute?
- A. Well, we have specific statutes that direct us in our activities, as do other agencies. So we consider this a fall back position for the state, that if action is not being taken by other agencies with more direct statutory responsibility, that we do have some authority to be the fall back for those kinds of activities.
- Q. So you're saying the way this is structured, Oklahoma Department of Environmental Quality is, in essence, sort of a back stop to the jurisdiction of the other Oklahoma agencies that have environmental responsibilities?
  - A. It can be interpreted that way.
- Q. Has it been used that way, to your knowledge?
  - A. Not to my knowledge.
  - Q. And from time to time today, I'm going to ask you to read things into the record.
    - A. Okay.

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Q. And if I could ask you to read this paragraph B aloud, please.

- A. "If the executive director finds that any of the air, land or waters of the state have been or are being polluted, the executive director shall make an order requiring such pollution to cease within a reasonable time, or require such manner of treatments or disposition of the sewage or other polluting material that may be in his judgment be necessary to prevent further pollution. Shall be the duty of the person to whom such order is directed to fully comply with the order of the executive director."
- Q. All right. When it says in subsection B, "The executive director finds," what is the process that you or your staff go through in order to reach a finding?
- MR. HAMMONS: I will object to the form, to the extent it calls for a legal conclusion.
- Q. (BY MR. MCDANIEL) You can go ahead and answer, sir.
- A. The process would be that an issue would come to our attention, the program would evaluate the problem. Our legal staff would then look at the statutory authorities, and then they would bring the issue to me for a decision.

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- Q. That decision, is that equivalent to a finding?
- A. It would be a -- yes, it would be a finding, and if we found that there was an activity under the statute that was not being addressed, we could issue an order.
- Q. All right. Are all findings that you issue under this statute, are they in writing?
  - A. Oh, yes.
- Q. Okay. If the Oklahoma Department of Environmental Quality becomes aware of unlawful pollution of the waters of the state, does it have the duty to undertake this process?
- **A.** It has a duty absent action by another agency, with more specific statutory authority.
- Q. All right. I'm going to ask you, sir, to take a moment and look at this deposition notice that I gave you, and familiarize yourself with the names of the defendants. I'm assuming you don't have them committed to memory.
  - A. I do not.
- Q. There is one name on here, it is Aviagen,
  Inc. that was originally in the case style, and they
  are no longer a defendant in the case, so I'm putting
  a line through that. Would you take a moment and look

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at the names of all of the remaining defendants?

- A. Okay.
- Q. All right, sir. Have you as executive director of Oklahoma Department of Environmental Quality made a finding that any one of the companies listed as defendants on that notice has caused pollution of the waters of the state in the Illinois River Watershed?

MR. HAMMONS: And I would object to the form.

THE WITNESS: The answer to your question is that if -- I don't have the records at hand, but if during -- these companies are also in the business of food processing, and that is under our direct jurisdiction.

And so it may be that under our jurisdictions for food processing, we may have found, had a finding and may have issued an order. But I don't specifically -- I don't specifically recall that. But I'm not at a point where I can say conclusively one way or the other whether that's the case or not.

Q. All right. And if that were the case, are you referring to, sir, potentially to a situation that would involve a point source discharge associated with

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a food processing facility?

It could be. It could be related to a point source water discharge, it could be related to air quality issues, it could be related to the improper disposal of process waste. It could be any number of those things.

Again, I don't have a independent recollection of having done so, but it could have happened.

- All right. You know this case, this lawsuit 0. involves allegations relating to the manner in which poultry litter or some may say poultry waste has been handled or utilized within the Illinois River Watershed. Do you understand that to be the case?
  - Α. I do.
- All right. That's the context for my Q. question.
  - Okay. Α.
- So let me re-ask the question, if you don't Q. mind.
  - Okay. Α.
- Q. Have you as executive director of Oklahoma Department of Environmental Quality made a finding that any one of these companies listed as the defendant in this case has caused pollution of the

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1 waters of the state of Oklahoma in the Illinois River 2 Watershed by virtue of management or utilization of 3 poultry litter or poultry waste? 4 Α. I have not. 5 MR. HAMMONS: Object to the form. 6 THE WITNESS: Sorry. MR. HAMMONS: I'm sorry, I object to the 7 You can answer. form. 9 (BY MR. MCDANIEL) I'm sorry, sir, would you Q. 10 just repeat your answer so the video --11 Α. I have not. 12 Now, the same context, sir, have you as 13 executive director made a finding that any poultry 14 grower operating under a contract with any one of the 15 companies that's listed as a defendant in this case 16 has caused pollution to the waters of the state of 17 Oklahoma in the Illinois River Watershed? 18 MR. HAMMONS: Object to the form. 19 THE WITNESS: Again, in the context of --20 let me be clear. If a poultry grower has a violation 21 under our direct statutory responsibility, we could 22 For instance, if they had a septic tank that 23 was malfunctioning.

But in the context of the lawsuit, the

answer to your question is no, I have not.

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growers?	
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- A. Not to my knowledge.
- Q. In response to this purported notice, did ODEQ initiate any enforcement action against these poultry companies or any of their contract growers?
  - A. No.
- Q. Has Oklahoma Department of Environmental
  Quality made a finding that any of the defendants in
  this lawsuit have violated the Solid Waste Disposal
  Act?
- MR. HAMMONS: Object to the form. Calls for a legal conclusion.
  - THE WITNESS: Again, in the context that we are talking about, no.
  - Q. (BY MR. MCDANIEL) Okay. And to use your words, in the context of these allegations contained in this purported notice of intent to file a citizen's suit, has Oklahoma Department of Environmental Quality made a finding that any poultry grower under contract with any of the defendants in this lawsuit has violated the Solid Waste Disposal Act?

MR. HAMMONS: Object to the form.

THE WITNESS: No.

Q. (BY MR. MCDANIEL) Has the Oklahoma

Department of Environmental Quality made a finding

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A. Yes.

Q. And I would ask you to look at subsection C and tell me if you agree that as a matter of Oklahoma law poultry manure and bedding is not a hazardous substance as that term is defined under Oklahoma law?

MR. HAMMONS: Object to the form.

THE WITNESS: I agree.

Q. (BY MR. MCDANIEL) It is also not a hazardous waste as that term is defined in Oklahoma law?

MR. HAMMONS: Object to the form.

THE WITNESS: I agree.

Q. (BY MR. MCDANIEL) Has the Oklahoma

Department of Environmental Quality made a finding that in the context of land applying poultry waste on agricultural lands that poultry waste is a CERCLA hazardous substance?

MR. HAMMONS: Object to the form.

THE WITNESS: We have not.

Q. (BY MR. MCDANIEL) Has Oklahoma Department of Environmental Quality made a finding that the use of poultry waste on agricultural lands in the Illinois River Watershed is threatening the release of any hazardous substance?

MR. HAMMONS: Object to the form.

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THE WITNESS: No.

Q. (BY MR. MCDANIEL) Has Oklahoma Department of Environmental Quality made a finding that the use of poultry waste on lands in the Illinois River Watershed is or has released hazardous substances?

MR. HAMMONS: Object to the form.

THE WITNESS: No.

- Q. (BY MR. MCDANIEL) In the context of CERCLA, are you familiar with the term potentially responsible party?
  - A. Yes.
  - Q. Tell me generally what that means.
- A. That means that those folks that have previously had ownership or stating really ownership, have had something to do with the site potentially or are responsible for the clean-up of that site.
- Q. Okay. And it comes from section 107-A of CERCLA, does that sound right?
  - A. If you say so.
- Q. Okay. Now, within the context of CERCLA, has the Oklahoma Department of Environmental Quality determined that any of the defendants in this lawsuit are PRPs or potentially responsible parties under CERCLA?

MR. HAMMONS: Object to the form.